

Mr. President, today the Senate approved a resolution recognizing the right of Israel to defend itself against terrorist attacks from Gaza and reaffirming the United States' strong support for Israel in its battle with Hamas.

The first thing the resolution does is remind people why the State of Israel had to act.

Israel has had to endure more than 6,300 rocket and mortar attacks on its citizens since it fully withdrew from Gaza in 2005. In fact, the town of Sderot, which is about 3 miles from the border of Gaza, has been suffering for over 8 years from these attacks.

Is there any doubt that if the United States were suffering an attack from just across the border similar to what Israel is facing, that we wouldn't react to stop that from happening? I think there is no question that we would act to stop this terrorism, and this resolution expresses the United States' support of Israel's right to defend itself.

The second point the resolution makes is that there is no equivalency between the terrorist actions of Hamas and the defensive actions of Israel. Israel conducts its military operations to spare innocent life. It has specifically targeted Hamas command centers, security installations, rocket-launching sites, weapons stockpiles, and weapons smuggling tunnels. It has tried very hard to avoid civilian casualties. Hamas, on the other hand, deliberately and maliciously fires rockets into civilian areas from civilian areas, thereby making it more difficult for Israel to target the terrorists and increasing the likelihood of civilian casualties when Israel does take action.

Finally, this resolution speaks to calls for a cease-fire. Many voices in the international community have been heard pleading for an immediate cease-fire, although I think it is instructive that one never hears those voices condemning rocket attacks by Hamas terrorists.

I believe the path to a halt in the violence is clear. A cease-fire is appropriate if, and when, it is durable and sustainable. A precipitous cease-fire, on the other hand, that would allow Hamas to rearm and rebuild its support in Gaza is not acceptable. Hamas cannot be given a cease-fire that only serves to provide it breathing room to regroup and then start firing its rockets and missiles again.

By adopting this resolution, we have said to the Israeli people: "We stand with you, and we support you in defending yourselves against terrorists."

In short, the resolution expresses strong support for the defense of Israel by its military action today in the Gaza Strip, the fact that it has been repeatedly attacked by Hamas terrorists from the Gaza Strip, and finally decided that the only way to stop those attacks on its citizens was to go into Gaza and try to remove the weapons and the launching sites and to try to arrest the terrorists who were involved in the launching of those rockets.

This resolution expresses strong support for Israel. It reminds us all why Israel was forced to act. It makes the point that there is no equivalency between the action of the Israelis and the terrorist action of Hamas, which deliberately seeks to harm civilians. Finally, it speaks to the question of a cease-fire, noting that the position of the United States is correctly that a cease-fire could only be supported if it is durable and sustainable; in other words, it ensures that the conditions that created the controversy today are not simply repeated another 6 months from now when the Hamas terrorists have had an opportunity to rearm.

I am pleased the Senate has spoken in such a timely fashion on this important issue. I commend my colleagues for supporting the resolution.

ECONOMIC STIMULUS

Mr. KYL. Mr. President, the president-elect spoke to the stimulus package today. The Finance Committee had an informal meeting today to discuss the proposition. Its outlines are still quite vague. There is no specificity to what precisely will go into the stimulus package, but there are some general concepts emerging.

So what I wanted to do today, very briefly, is to outline what I think would be some sensible tests to evaluate what is being proposed, and what it may reveal is that some ideas would not meet these tests and should not be part of a stimulus package. Others would meet the tests and would help to resolve the economic crisis that faces America today.

I think the context we put this in is one in which we have already had some bailouts, and Americans are a little suspicious that some of the money we have committed to these bailouts is going to help—the \$200 billion bailout to Fannie Mae and Freddie Mac, the \$150 billion bailout of AIG, the insurance company, the \$700 billion Troubled Asset Relief Program, the recent \$17.4 billion auto bailout, and, by the way, the announcement yesterday was that for the first time in the history of the world the budget deficit of a country—namely, the United States of America—will top \$1 trillion. That is over 8 percent of our gross domestic product.

A friend of mine reminded me today—I think it is an interesting bit of trivia—\$1 trillion is more money than all the cash in circulation in the world today of the United States of America. All the dollar bills, the ten-dollar bills, the hundred-dollar bills, and all of the quarters, nickles, and all of the other cash of the United States does not equal \$1 trillion, and that is how much the deficit is going to be for just this current year. That is a lot of money.

In that context, we have to be very careful about how we spend another \$1 trillion or thereabouts to stimulate the economy. The money comes from

somewhere, and it either comes from taxpayers directly in the form of increased taxes or it is borrowed and the taxpayers eventually have to pay that back with interest. The interest cost, by the way, is expected to be well over \$300 billion. So, as a result, we have to be very careful that we do more good than harm by taking this money away from American taxpayers. The first test obviously is, will it work? Will it stimulate economic growth? That is the test that Larry Summers, an adviser to the President-elect, has stated. In fact, he said, and I am paraphrasing, that investments will be chosen strategically on the basis of which will do the most to spur the economy. So if we have tried something before, and it has not worked, it is a good sign that probably we should not do that.

The reason I say that is we had a stimulus already: the so-called tax rebate. We spent \$150 billion on it. The facts are now in. It did not work; it did not stimulate the economy. In fact, only about 12 percent of the money turns out to have been spent. The lesson to be learned in a situation like this is, if you have tried something before and it has not worked, then do not repeat it because it is throwing good money after bad.

The reason it did not work is because when people get a one-time windfall, they tend to save it or to pay bills with it. They spend it if they believe that it is a permanent part of their income forever, more so if it is going to relate to their taxes, we need to ensure that they know that they are going to have permanent tax relief. If it is simply something they believe they are going to have for a year or two, chances are they are not going to spend it. It is not going to do any good.

Another test is, would Government action be better in the private sector or the Government sector? We know in America it is small business and some big business. It is our free enterprise system that creates jobs, that creates economic growth. The Government cannot create economic growth.

In fact, when the Government gets involved, there is more potential to do harm than good. We can tax them, we can regulate them. Usually, it does not do them any good. Sometimes you can do things to help business. Usually, you do it in a way that helps with their tax burden. There are some good ideas that I have heard discussed that would, by making it more tax friendly to invest in certain kinds of equipment, for example, or to hire more people, if we knew that would stimulate an economic activity, that those kind of activities would be very useful.

But frequently when we spend Government money, in this case, for example, potentially creating 600,000 new Government jobs, remember we are taking that money out of the private sector, and it is likely to do less good in the public sector than it would if we left it in the private sector.

In fact, a couple of economists with whom we spoke yesterday noted that

even in a recession business gets a 4 to 5 percent return on its investment. The real test should be, if the money is spent in the Government sector, will we get at least that return on the investment that we are making? If we do not, we should leave that money in the private sector so the private sector can get that return on that investment and therefore generate more economic activity in our private enterprise system.

Another question is whether the new Government spending replaces State and local spending. My understanding is there is a big chunk of money to go to State and local governments. Now they have gotten themselves into a pickle because a lot of them have big budget deficits this year. They are going to constrict what they spend money on as well or they are going to have to raise taxes or fees or find some other way to balance their budgets.

But they obviously would like for the Federal Government to bail them out. Well, obviously before the Federal Government considers doing that, the first question is, Are you going to correct what has created the deficiency in the first place or are we simply going to save your bacon then you do not have to do anything to change your ways. Are you going to reduce your spending? For example, are you going to spend the money anyway?

People are talking about shovel-ready projects. There are a lot of shovel-ready projects at the State level for roads or highways or whatever, and they are called shovel-ready because the State is prepared to do them. Well, if the State is going to do them anyway, then clearly the Federal Government paying for it is not going to create any new jobs. It is not going to stimulate economic growth in any way, even though it might produce a new bridge or a new highway that is useful to the people in that State. So since our goal is to stimulate new economic activity, we must ask whether the spending will really create new economic activity or merely replace something at the State level that would occur anyway.

The penultimate question is, Is it worth doing? We have to ask the taxpayers from whom we are getting money whether an investment is worth undertaking at all. For example, one of the things that would be on an infrastructure to-do list was a mob museum in Las Vegas; there was a snowmaking venture in Minnesota. Are these the kind of investments that American taxpayers believe are warranted under any circumstances?

There are a lot of investments the Federal Government can make that are worthwhile. For example, clearly we have used a lot of military equipment that needs to be replaced. There are good jobs throughout this country producing military equipment. We need to add personnel to our military. I think there is a general consensus to do that. That will cost money. That will obviously create jobs.

So those are activities that are needed, are worthwhile, are job creating, and clearly would help our country, potentially being much more worthwhile than, like I say, a mob museum or some kind of snowmaking equipment.

Then, finally, I think there is one final test that we might talk about. In view of the huge deficit we have, should we make the deficit worse? This is a cost-benefit analysis. This is clearly going to be added to the deficit. So the question is, How much more deficit can we pile on without having adverse consequences in the immediate and long-term? We might stimulate the economy over the next 3 or 4 months, but if we are creating a huge hole to dig out of 3 or 4 years from now, we have to ask, Is it really going to be worth it.

So when we evaluate the different proposals, we have to ask whether it is going to be worth it to have this large deficit, twice the \$1.2 trillion of this coming year. One thought in this regard is this: When we lower tax rates, we know it helps people. It helps small business create jobs. That is what you do in a recession. You try to help people by letting them keep more of their money so they can spend it and help get us out of the recession.

Permanent tax cuts are the way to do that. The permanent tax cut obviously may or may not reduce revenue to the Treasury. The right kind of tax cuts can actually produce more revenue to the Treasury, but increased spending, there is no way around it, loses money to the Treasury. It puts you in a deeper hole. So as between the potential relief from taxes, leaving more money in the private sector, which is eventually going to create the jobs to get us out of the recession, or having the Government spend more money and creating a larger deficit that way, it is a test that I think we need to be very clear about, from my mind.

While I am willing to help do things to stimulate economic activity in the short term, I am not willing to ignore long-term consequences of a deficit the size that would be created by the kind of spending we are talking about.

If we apply the right kind of tests—and they are sensible. They are not Republican or Democratic tests; they are obviously tests that any prudent person would ask before spending this kind of money—I think that will help us better evaluate the kind of economic stimulus package we can actually support in the Senate. It will be the kind of analysis our taxpaying constituents expect of us when, in view of all of the other things that have been done to bail out various aspects of our economy, with the kind of trillion-dollar-plus deficit we are looking at, they want us to engage in, they want us to be prudent.

They have had their fill of wasteful Washington spending. They want us to be very careful about what we do with their money in the future. I hope as we

engage this debate in the future—we will have plenty of time to talk about it, debate it, think about it, to analyze it and I am not suggesting we try to slow-walk it, but in trying to move quickly we nevertheless take the time to perform the kind of analysis I have talked about.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CHAMBLISS. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

GRIFFIN BELL

Mr. CHAMBLISS. Mr. President, I rise to pay tribute to a long-time, good friend and a great Georgian, Griffin Bell, who passed away on Monday of this week. Judge Griffin Bell was a native of America's Georgia. He was a distinguished lawyer in our State since 1947, when he passed the Georgia bar after completing just four quarters of study in his beloved Mercer Law School in Macon, GA. Upon graduation the following year, he entered private practice in Savannah. Appointed by President John Kennedy to the Fifth Circuit Court of Appeals, Attorney General of the United States under President Jimmy Carter, and as an attorney for President George H.W. Bush, Judge Bell has left an extraordinary legacy of courage, integrity, wisdom, and, yes, humor to our Nation and to my State.

In one of the press reports this week, upon Judge Bell's death at the age of 90, one of his law partners, Richard Schneider at the distinguished Atlanta firm of King & Spalding, where Judge Bell practiced before and after his service on the Federal bench and as Attorney General, said:

No novelist, not even Dickens or John Irving, could have created a more memorable character than Judge Bell. He took the role of being a lawyer and transformed it into a legend. It is remarkable that every man and woman who spent even a brief period with Judge Bell would cling to him and claim him as their hero forever. That is how legends are made and legends last forever. That will be the case with the great Griffin Bell.

I ask unanimous consent that the article from the Newnan Times-Herald, in which the Schneider comments appear, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Newnan Times-Herald]
HEAVEN IS GREATER WITH THE ARRIVAL OF
GRIFFIN BELL

Georgia is saying goodbye to one of our state's most distinguished citizens. Griffin B. Bell, lawyer, judge, U.S. attorney general and confidante to presidents, governors and many others, died Monday. A public graveside service will be 11 a.m. today in Americus, where he was born. A public memorial